This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 PARIS 000907

SIPDIS

STATE FOR EUR/WE AND ISN/CPI DHS FOR ICE COMMERCE FOR BIS/OEE

E.O. 12958: DECL: 02/10/2015
TAGS: KNNP PARM MNUC ETTC PREL FR CH
SUBJECT: PSI: INTERAGENCY BILATERAL MEETING WITH FRENCH
REGARDING VIBRAFUGE

REF: A. 05 STATE 60756 ¶B. 05 PARIS 5566 ¶C. 05 PARIS 7154 ¶D. 05 STATE 205282 ¶E. PARIS 335

Classified By: DCM KARL HOFMANN FOR REASONS 1.5 (B), (D), AND (H).

11. (C) Summary. An interagency delegation met in Paris with French officials on January 16 to discuss the pending export to China of a vibration/centrifuge testing system (vibrafuge) by the U.S. company Data Physics and the French Company Actidyn Systemes. French technical experts disagreed with the U.S. expert assessment that the only proven use of the vibrafuge to date has been to test the effects of stress on nuclear warheads and missile components upon re-entry into the earth,s atmosphere and that the USG has credible evidence that the vibrafuge under development by Actidyn is destined for a nuclear weapons end-use/end-user. The GOF maintained their claim that the vibrafuge appeared to fall below the MTCR threshold for export of this type of equipment and implied that it would allow the export to proceed. U.S. delegation members countered by maintaining that the diversion to a WMD/missile end-use cannot be ruled out and that preventing the vibrafuge,s export is consistent with the objectives of the Proliferation Security Initiative (PSI). End summary.

Background

12. (C) The USG first approached the Government of France in April 2005 under the PSI to request that French authorities stop the export to China of a vibration/centrifuge testing system (vibrafuge) by the U.S. company Data Physics and the French Company Actidyn Systemes (ref A). The USG had reason to believe that the equipment was destined for a nuclear weapons development end-user in China. Since then, the U.S. had engaged the GOF in several exchanges on the technical aspects of the equipment and had requested specific French assistance into the USG,s efforts to pursue charges against Data Physics for violating U.S. export control laws (refs B-D). At the invitation of the GOF, an interagency delegation of policy, enforcement and technical experts (Department of State, together with Embassy liaison, Department of Commerce, Department of Homeland Security and Sandia National Laboratories) met in Paris with French officials on January 16 to discuss the U.S. investigation into the transfer and the technical characteristics of the vibrafuge. National Defense General Secretariat (SGDN) Director Jean-Luc Vo Van Qui conveyed at the outset of the meeting that the U.S. delegation would be permitted to meet privately with Actidyn representatives the following day, without official French presence (reported ref E).

U.S.: Vibrafuge Export is a Proliferation Concern

- 13. (C) At the January 16 bilateral meeting, Department of Commerce Export Enforcement Special Agent Joe Whitehead presented the status of the USG,s investigation into Data Physics, violation of U.S. export control laws. The U.S. believes that Data Physics negotiated the sale of an Actidyn Systemes vibrafuge to a Chinese university knowing that the intended end-use would be nuclear weapons research and development at the Chinese Academy of Engineering Physics (CAEP), which is included on the Department of Commerce Entities List. Evidence collected by USG investigation to date implies that on several occasions, Data Physics and Actidyn discussed how to complete a request for French export authorization, knowing that the information they were providing would not accurately identify the end-user and end-use. The U.S. investigation also revealed that Data Physics had made multiple unauthorized shipments to other listed Chinese entities involved in the development of missile systems and nuclear weapons, in violation of U.S. law.
- $\P 4$. (C) In presenting the technical characteristics of the vibrafuge, Sandia National Laboratories technical expert Steve Heffelfinger stated that the only documented use of

vibrafuge technology has been for testing of missile inertial guidance systems and components, re-entry vehicles, weapon components (i.e., switches, circuit boards), and weapon safe and arm devices. Heffelfinger assessed that the technical capability of the system was excessive for the Chinese university,s claimed end-use of fundamental research on metal fatigue. He further stated that he was unaware of any documented research demonstrating a vibrafuge could be used successfully in material fatigue research. (Note: the system alone costs over 1.2 million Euros, plus the cost of the constructing the facility to house it.) According to Heffelfinger, there were less expensive, already proven methods, for conducting this type of research. Although the vibrafuge as prepared for export by Actidyn falls just below Missile Technology Control Regime (MTCR) export control thresholds, it would not be difficult for the end-user to upgrade the system for WMD/missile testing applications, he assessed.

¶5. (C) Whitehead further highlighted that no universities possess a vibrafuge and that Sandia National Laboratories possesses the only vibrafuge in the world and it was designed for the sole purpose of testing the effects of stress on nuclear warheads and missile components upon re-entry in the atmosphere. Therefore, the USG believes that the unique nature of the French export warrants further scrutiny.

France: Vibrafuge Export is Legitimate

- 16. (C) According to French technical experts, the vibrafuge posed no proliferation risk. Using vibrafuge technology for WMD/missile testing applications in general is difficult if not obsolete, asserted French Ministry of Defense technical expert Graver. No other country besides the United States employs vibrafuge technology in their weapons programs because there are far easier and less expensive ways to achieve the same results, Graver claimed. He stated that furthermore, the specifications of the Actidyn vibrafuge are inferior in performance to Sandia,s vibrafuge. It is reasonable that a Chinese university would use a vibrafuge to perform accelerated fatigue on materials, structures or equipment, Graver said.
- 17. (C) SGDN Director Vo Van Qui stated that after careful investigation, the GOF has been unable to conclude that the vibrafuge is destined to a nuclear weapons end-user or end-use. The stated end-user and the personnel associated with the Chinese university & are real, 8 he said. He continued that the export is permissible under French and EU regulations because the vibrafuge is neither Nuclear Suppliers Group (NSG) nor MTCR-controlled. Actidyn has not violated any French or European laws, Vo Van Qui added. He chose not to respond when U.S. delegation members sought clarification on whether the GOF has issued a license for the export or whether the GOF had determined that no license was necessary. He left U.S. delegation members with the sense that that the GOF did not plan to prohibit the export and likely would not exercise its & catch-all8 authority to require an export license.

U.S.: Preventing Vibrafuge Export Consistent with PSI

18. (C) U.S. delegation members countered that the possibility of diversion to a WMD/missile end-use cannot and should not be ruled out. The U.S. company Data Physics has exported in the past to China,s nuclear weapons and missile programs and the Chinese university that is the claimed end-user has a publicly acknowledged cooperative relationship with the CAEP. The risk of proliferation is real, regardless of whether the vibrafuge is technically, export controlled within specific MTCR and NSG criteria, U.S. delegation members maintained. The U.S. delegation further stated that MTCR controls were not as relevant as the actual end-use of this item. (U.S. Export Administration Regulations (EAR) Part 744, prohibits the export and re-export of all items subject to the EAR to defined end-users, including nuclear and missile programs. Regardless of its performance characteristics, an item requires a U.S. export license if the end-user or end-use is associated with nuclear weapon or ballistic missile research.) It is certainly within the objective and spirit of the PSI to prevent the export of goods that have a potential to make a material contribution to a program of proliferation concern, said one U.S. delegation member at the conclusion of the bilateral session.

Participants

19. (U) United States:

Renee Pan, Foreign Affairs Officer, Department of State, ISN/CPI Robert Dry, EST Counselor, Embassy Paris Julie Salcido, Special Agent in Charge, San Jose Field Office, Department of Commerce, BIS/OEE
Joe Whitehead, Special Agent, San Jose Field Office,
Department of Commerce, BIS/OEE
Craig Spelce, Special Agent, San Jose Field Office,
Department of Homeland Security, ICE
Richard Jolles, ICE Representative, Embassy Paris
France:

Jean-Luc Vo Van Qui, Director of Technology and Sensitive Transfers, National Defense General Secretariat (SGDN)
Commander Patrick Beau, Deputy for Proliferation, Science and Technology, SGDN
Colonel Bruno Chable, SGDN
Commander Herve Auffret, SGDN
Sebastien Jaunet, Ministry of Foreign Affairs
Guy Lusetti, Ministry of Economy, Finance and Industry

1M. Ballarin, French Customs
1M. Graver, Ministry of Defense
1M. Guy, Ministry of Defense

Please visit Paris' Classified Website at: http://www.state.sgov.gov/p/eur/paris/index.c fm

Stapleton